

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement"), dated as of May 29, 2009, between 4515218 Canada Inc., a corporation incorporated under the laws of Canada (the "Company"), and Natural Convergence Inc. (the "Purchaser"), a corporation incorporated under the laws of Canada.

WHEREAS the Company owns the Assets set out in Schedule "A" annexed hereto and has agreed to sell the same to the Purchaser; and

WHEREAS all dollar references are in United States dollars unless otherwise stated and certain words and phrases with initial capitals are terms as defined in this Agreement including Exhibit A hereto.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants and agreements contained herein, the parties hereto covenant and agree with each other as follows:

ARTICLE 1 PURCHASE OF ASSETS

1.1 Agreement to Purchase

Subject to the terms and conditions hereof, the Company agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Company, as of the Closing, the Assets.

1.2 Excluded Assets

Notwithstanding anything herein to the contrary, the Company shall retain and not transfer, convey, assign or deliver to the Purchaser, the Excluded Assets described as such in Exhibit A hereto.

1.3 Assumed and Excluded Liabilities

Subject to the terms and conditions hereof, the Purchaser agrees to assume and become liable for only the Assumed Liabilities as of Closing. For the purposes of certainty, it is understood that the Purchaser will assume no liabilities of the Company other than those expressly assumed hereunder, whether accrued, absolute or contingent, known or unknown, due or to become due, whether or not related to the Assets and regardless of when asserted ("Excluded Liabilities").

1.4 Transferred Books and Records

On the Closing Date, the Company shall deliver to the Purchaser all books and records of the Company that are or have been related to, used in or necessary for the Assets, including copies of contracts; product and design materials (for internal or external use); plans; drawings; documentation sufficient to fully utilize, understand and implement the use of the Assets; technical and operating materials (for internal or external use); in each case in whatever form (hard copy or electronic) relating to the Assets, including the books and records described in Schedule "A" hereto ("Transferred Books and Records") and, at the Purchaser's option, the Company shall certify the destruction of the copies, reproductions and summaries of the Transferred Books and Records which are not required to be retained in order to comply with statutory or regulatory obligations. If and to the extent that copies of Transferred Books and Records are retained in order to comply with statutory or regulatory obligations, the Company shall maintain the confidentiality of such Books and Records and not use them or disclose them to any third party, other to comply with any applicable statutory or regulatory obligations.

ARTICLE 2 PURCHASE PRICE

2.1 Amount of Purchase Price

The purchase price ("Purchase Price") payable by the Purchaser to the Company for the Assets shall be payable in the following manner:

(a) US\$810,000, which is 90% of the total cash consideration, shall be payable at the Closing in immediately available funds;

(b) 6,723,261 Class D Preferred Shares in the capital of the Purchaser, which represents 4% of the currently issued and outstanding Class D Preferred Shares of the Purchaser as calculated pursuant to Section 2.2 below and having an issue price equal to US\$0.04812 per share and a liquidation preference per share equal to three (3) times such issue price pursuant to and in accordance with the terms and conditions set out in the Purchaser's articles of incorporation, as amended, shall be issued to the Company at the Closing (the "Share Consideration");

(c) \$90,000, being 10% of the total cash consideration (the "Escrow Amount"), shall be deposited on the Closing Date with LaBarge Weinstein Professional Corporation (the "Escrow Agent") in trust, to be held in accordance with the terms and conditions of an escrow agreement to be executed and delivered on the Closing Date and shall be, subject to the terms and conditions of the escrow agreement, payable on the three (3) month anniversary of the Closing in immediately available funds; and

(d) the assumption of the Assumed Liabilities, including the amounts listed on Exhibit C hereto, shall be payable at the Closing in immediately available funds.

2.2 Class D Preferred Shares

(a) For the purposes of calculating the number of currently issued and outstanding Class D Preferred Shares, such number shall be deemed to include a US\$1 million investment (no more and no less) in either Class D Preferred Shares at an issue price of US\$0.04812 or in debt securities convertible into Class D Preferred Shares, if such an investment is not completed prior to the Closing Date.

(b) As a condition to the issuance of the Share Consideration, the Company must agree to become a party and bound by the terms and conditions of the Purchaser's existing unanimous shareholder agreement, a copy of which has been previously provided to the Company. The Company shall be permitted to transfer such shares pursuant to and in accordance with such shareholder agreement, provided that if and to the extent that the Company transfers such shares, any permitted transferee must also acknowledge that such shares are subject to indemnity claims of the Purchaser pursuant to and in accordance with Section 6.3 below. Share certificates evidencing the Share Consideration shall bear legends describing restrictions imposed by applicable law, the Purchaser's unanimous shareholder agreement and this Section, until such restrictions are no longer applicable from time to time.

(c) The Company and any permitted transferees thereof, will have the same rights and obligations as other holders of Class D Preferred Shares of the Purchaser for so long as and to the extent the Company and any permitted transferees thereof shall hold Class D Preferred Shares, provided that the Purchaser covenants and agrees that, for so long as Company and any permitted transferees thereof shall hold Class D Preferred Shares, it shall not enter into any agreement nor will it issue new shares in connection with an internal round lead by existing investors that requires the Company or its shareholders or any permitted transferees to participate on a "pay-to-play" basis.

2.3 Allocation of Purchase Price

The Purchase Price shall be allocated as specified in Exhibit B and the Company and Purchaser acknowledge and agree that the amounts so attributed are the respective fair market values thereof. The Company and the Purchaser shall file all Tax Returns on a basis consistent with the allocation set out in Exhibit B and shall not dispute such allocation in connection with any audit or other proceeding.

2.4 Taxes

The Purchaser shall pay all transfer Taxes (such as GST and PST and in amounts to be determined prior to Closing) applicable to, or resulting from, the transactions contemplated by this Agreement, if any. If applicable, the Company and Purchaser will on or before the Closing Date jointly execute an election, in the prescribed form and containing the prescribed information, to have subsection 167(1) of the *Excise Tax Act* (Canada) apply to the sale and purchase of the Assets hereunder so that no tax is payable in respect of such sale and purchase under Part IX of the *Excise Tax Act* (Canada). The Purchaser will file such election with the Minister of National Revenue within the time prescribed by the *Excise Tax Act* (Canada).

ARTICLE 3 CLOSING ARRANGEMENTS

3.1 Closing

Time is of the essence of this Agreement. The closing of this transaction shall take place at 10:00 a.m. on the Closing Date at the offices of LaBarge Weinstein, 515 Legget Drive, Kanata, Ontario, K2K 3G4, or at such other place as may be approved in writing by the parties hereto.

3.2 Closing Procedures

At or before the Closing, the Company and the Purchaser shall take or cause to be taken all actions, steps, and corporate proceedings necessary or desirable to validly and effectively approve or authorize the completion of the transactions herein provided for; and upon fulfillment of all the conditions set out in Section 4.2 that have not been waived in writing as therein provided, the Company shall deliver to the Purchaser good and marketable title to, and possession of, the Assets, free and clear of all Liens, and the Purchaser shall deliver to the Company the Purchase Price, as outlined in Section 2.1. Transfer and delivery of the Assets shall include physical or electronic delivery of all Transferred Intellectual Property, including delivery of the Transferred Books and Records and other appropriate documentation thereof as reasonably requested by Purchaser to facilitate the transfer and integration of the Assets. To the extent practicable, all software to be delivered hereunder shall be delivered by electronic means in a manner specified by Purchaser prior to Closing, acting reasonably. The Company shall not retain in its possession or control any Transferred Intellectual Property or any copy thereof.

3.3 Closing Documents

On Closing, each party shall deliver to the other all deeds and instruments of conveyance, bills of sale, assurances, transfers, assignments, consents, and other documents necessary to validly and effectively complete the transfer of the Assets in accordance with the terms and conditions hereof, in form and substance satisfactory to the parties acting reasonably.

ARTICLE 4
CONDITIONS OF CLOSING

4.1 Conditions for the Purchaser's Benefit

The Purchaser is not obliged to complete the purchase herein provided for unless, on the Closing Date, each of the following conditions has been satisfied, it being understood that these conditions are included for the exclusive benefit of the Purchaser and may be waived in writing in whole or in part by the Purchaser at any time; and the Company shall use its reasonable best efforts to ensure that such conditions are fulfilled on or before the Closing Date:

(a) Representations and Warranties. The representations and warranties set forth in Section 5.1 shall be true and correct in all material respects on the Closing Date.

(b) Compliance with Agreement. All of the terms, covenants, and agreements set forth in this Agreement to be complied with or performed by the Company at or before the Closing Date shall have been complied with or performed by the Company on or before the Closing Date.

(c) Consents & Approvals. All corporate approvals and consents by third parties that are required for the transfer of the Assets to the Purchaser and the consummation of the other transactions contemplated hereby shall have been obtained.

(d) Closing Documents. On or prior to the Closing Date, the Company shall have delivered to the Purchaser such documents or instruments as the Purchaser may reasonably request to effect the transactions contemplated hereby.

4.2 Conditions for the Company's Benefit

The Company is not obliged to consummate the transactions herein provided for unless, on the Closing Date, each of the following conditions has been satisfied, it being understood that these conditions are included for the exclusive benefit of the Company and may be waived in writing in whole or in part by the Company at any time; and the Purchaser shall use its reasonable best efforts to ensure that such conditions are fulfilled on or before the Closing Date:

(a) Representations and Warranties. The representations and warranties set forth in Section 5.2 are true and correct in all material respects on the Closing Date.

(b) Compliance with Agreement. All of the terms, covenants, and agreements set forth in this Agreement to be complied with or performed by the Purchaser at or before the Closing Date have in all material respects been complied with or performed by the Purchaser on or before the Closing Date.

(c) Delivery of Share Certificates. The Purchaser shall deliver share certificates representing the Share Consideration to the Company.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Company

The Company represents and warrants to the Purchaser now and as of the Closing Date as follows:

(a) Organization, Corporate Power and Licenses. The Company is a corporation duly organized, validly existing and in good standing under the laws of Canada and is qualified to do business in every jurisdiction in which the nature of the Assets makes such qualification necessary, except where the failure to so qualify has not had or would reasonably not be expected to have a Material Adverse Effect.

(b) Authorization; No Breach. The execution, delivery and performance of this Agreement and all other agreements contemplated hereby to which the Company is a party, have been duly authorized by the Company. This Agreement and all other agreements contemplated hereby to which the Company is a party each constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms. The execution and delivery by the Company of this Agreement and all other agreements contemplated hereby to which the Company is a party, and the fulfillment of and compliance with the respective terms hereof and thereof by the Company, do not and shall not (i) conflict with or result in a breach of the terms, conditions or provisions of, (ii) constitute a default under, (iii) result in the creation of any Lien, security interest, charge or encumbrance upon the Company's assets (including, without limitation, the Assets) pursuant to, (iv) give any third party the right to modify, terminate or accelerate any obligation under, (v) result in a violation of, or (vi) require any authorization, consent, approval, exemption or other action by or notice or declaration to, or filing with, any court or administrative or governmental body or agency pursuant to, the charter or bylaws of the Company, or any law, statute, rule or regulation to which the Company is subject, or any agreement, instrument, order, judgment or decree to which the Company is subject.

(c) Governmental Consent, etc. No permit, consent, approval or authorization of, or declaration to or filing with, any governmental authority is required in connection with (i) the execution, delivery and performance by the Company of this Agreement or the other agreements contemplated hereby, or (ii) the consummation by the Company of any other transactions contemplated by this Agreement or the other agreements contemplated hereby.

(d) Good Title. The Company has good and marketable title to all the Assets, free and clear of any and all Liens and is transferring to the Purchaser good and valid title to the Assets, free and clear of all title defects and other Liens or encumbrances and the delivery of the Assets to the Purchaser pursuant to the provisions of this Agreement will transfer good and valid title to the Company's interests in the Assets, free and clear of all Liens. Transferred Personal Property is (i) in good condition and repair in all material respects (reasonable wear and tear excepted) and (ii) not obsolete or in need in any material respect of renewal or replacement, except for renewal or replacement in the ordinary course of business.

(e) Intellectual Property.

(1) *Transferred Intellectual Property.* The Company exclusively owns all right, title and interest in and to, or has a valid written license to use, all Transferred Intellectual Property. The Company is the exclusive owner of all right, title and interest in and to (free and clear of all encumbrances) the Transferred Intellectual Property and has the exclusive rights to use, sell, license, assign, transfer, convey, dispose of, or otherwise commercially exploit the Transferred Intellectual Property. The consummation of the transactions contemplated by this Agreement will not alter, restrict, encumber, impair or extinguish any Transferred Intellectual Property or result in the creation of any Lien with respect to any Transferred Intellectual Property.

(2) *Company Registered IP.* Schedule "A" sets forth a complete list of all industrial design registrations and applications, integrated circuit topography registrations and applications, issued patents and registered trademarks, service marks, trade names, domain names and copyrights, mask works and applications for any of the foregoing throughout the world (and all applications for, or extensions or reissues of, any of the foregoing throughout the world) that are owned by, or registered or applied for in the name of, the Company, setting forth for each such item the applicable name, title, registration and/or application numbers and dates, and the current owner ("Company Registered IP"). All Company Registered IP are exclusively owned by and registered or applied for solely in the name of the Company, are valid and subsisting and have not been abandoned, and all necessary registration, maintenance and renewal actions and fees with respect to the Company Registered IP have been satisfied. Other than as listed on Schedule "A", there are no actions that are required to be taken by the Company within one-hundred-eighty (180) days of the date hereof with respect to Company Registered IP that, if not taken will have a Material Adverse Effect on any Company Registered IP or the prosecution of applications or registrations relating thereto.

(3) *No Infringement.* The operation of the business of the Company, including, without limitation, the development, use, sale, distribution and other exploitation of the Company's products or services, has not violated, infringed or misappropriated any intellectual property or rights of privacy or publicity of any other Person and does not constitute unfair competition or trade practices under the laws of any jurisdiction in which the Company does business, and the Company has not received any written notice alleging any of the foregoing, nor, to the knowledge of the Company, is there any reasonable basis therefor. To the knowledge of the Company, no Person has violated, infringed or misappropriated any Transferred Intellectual Property, and the Company has not given any written notice to any other Person alleging any of the foregoing. To the knowledge of the Company, no trade secret of the Company has been used, divulged or appropriated for the benefit of any Person (other than the Company) or otherwise misappropriated.

(4) *Employee Assignments; Protection.* All current and former employees, contractors, agents and consultants of the Company who are or were involved in the creation of Transferred Intellectual Property for the Company have executed a written assignment of inventions agreement that vests in the Company exclusive ownership of all right, title and interest in and to such Transferred Intellectual Property, and have waived all moral rights therein, to the extent not already provided by law. The Company has taken all reasonable and appropriate steps to protect, maintain and safeguard the Transferred Intellectual Property. Without limiting the foregoing, all current and former officers, employees, consultants and independent contractors of the Company and all suppliers, customers, distributors, and other third parties having access to trade secrets or proprietary information of the Company, its customers or business partners have executed and delivered to the Company an agreement regarding the protection, non-disclosure and limitations on use of such trade secrets or proprietary information (in the case of trade secrets or proprietary information of the Company's customers and business partners, to the extent required by such customers and business partners).

(5) *Public Software.* Schedule "B" separately lists all Public Software that is or was used in connection with the operation of the business of the Company, including, without limitation, in connection with any Transferred Intellectual Property. No software covered by or embodying any Transferred Intellectual Property has been or is being distributed, in whole or in part, or was used, or is being used in conjunction with, any Public Software in a manner which would require that such Transferred Intellectual Property (excluding the original Public Software) be disclosed or distributed in source code form or made available at no charge.

(f) *Material Agreements.* Schedule "B" sets forth a complete and accurate list of each agreement, contract, understanding or commitment entered into by the Company with respect to the Assets that is material to the Company, the Assets or the business previously conducted by NewStep Networks Inc. (including, without limitation, any of Intellectual Property Licenses and Transferred Contracts). Each contract listed on Schedule "B" (including, without limitation, the Intellectual Property Licenses and Transferred Contracts) is in full force and effect and constitute the legal, valid and binding obligation of the Company, and to the knowledge of the Company, each other

party thereto, enforceable in accordance with its terms. There does not exist any default by the Company or, to the knowledge of the Company, by any other Person, or event that, with notice or lapse of time, or both, would constitute a default under any agreement listed on Schedule "B", and no notices of breach thereof have been received by the Company. Schedule "B" also identifies each contract that requires consent to assign such contract or as a result of the Company entering into this Agreement or consummating the transactions contemplated hereby. Subject to obtaining the consents noted in Schedule "B", each of the Transferred Contracts is fully assignable to Purchaser without giving rise to any obligation, loss of rights or penalty and when assigned to Purchaser, shall place the Purchaser in the position of the Company under the terms of such Transferred Contract.

(h) Employees. Schedule "B" lists all the employees of the Company as of the date of this Agreement and their respective position, status, length of service, vacation entitlement, compensation, benefits and entitlement to contractual termination payments, if any. Except as set out in Schedule "B", the Company is not a party to or bound by any contracts or requirements of applicable law in respect of any employee, including: (i) any contracts or arrangements for the employment or statutory re-employment of any employee; or (ii) any bonus, deferred compensation, profit sharing, pension, retirement, hospitalization insurance, or other plans or arrangements providing employee benefits.

(i) No Fraudulent Conveyance. Company is not entering into this Agreement and the transactions contemplated hereby with the intent to defraud, delay or hinder its creditors. The transactions contemplated in this Agreement will not constitute a fraudulent conveyance, or otherwise give rise to any right of any creditor of Company whatsoever to any of the Assets after the Closing.

(j) Litigation, etc. Except as disclosed in Schedule "B", there are no actions, suits, proceedings, orders, investigations or claims pending or, to the best of the Company's knowledge, threatened against or affecting the Company or the Assets (or to the best of the Company's knowledge, pending or threatened against or affecting any of the officers, directors or employees of the Company with respect to their businesses or proposed business activities); and, to the best of the Company's knowledge, there is no basis for any of the foregoing. The Company is not subject to any judgment, order or decree of any court or other governmental agency.

(k) Compliance with Laws. Company has complied in all material respects with and has not received any notices of violation with respect to, any Canadian federal, provincial or local statute, law or regulation (including but not limited to environmental laws), domestic or foreign, applicable to the Company or any of the Assets, including without limitation (i) all applicable Tax laws and regulations with respect to consultants, (ii) all applicable employment and labour laws, (iii) all laws and regulations governing privacy and the protection of personally identifiable information.

(l) No Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Company or its Affiliates.

(m) GST. The Company is registered under Part IX of the *Excise Tax Act* (Canada) with registration number 808623896RT001. The Company is not a non-resident of Canada or a partnership other than a Canadian partnership within the meaning of section 116 of the Tax Act.

5.2 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants to the Company now and as of the Closing Date as follows:

(a) Organization, Corporate Power and Licenses. The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of Canada and is qualified to do business in every jurisdiction in which the failure to so qualify has had or would reasonably be expected to have a Material Adverse Effect.

(b) Authorization; No Breach. The execution, delivery and performance of this Agreement and all other agreements contemplated hereby to which the Purchaser is a party, have been duly authorized by the Purchaser. This Agreement and all other agreements contemplated hereby to which the Purchaser is a party each constitutes a valid and binding obligation of the Purchaser, enforceable in accordance with their respective terms. The execution and delivery by the Purchaser of this Agreement and all other agreements contemplated hereby to which the Purchaser is a party, and the fulfillment of and compliance with the respective terms hereof and thereof by the Purchaser, do not and shall not (i) conflict with or result in a breach of the terms, conditions or provisions of, (ii) constitute a default under, (iii) result in the creation of any Lien, security interest, charge or encumbrance upon the Purchaser's assets pursuant to, (iv) give any third party the right to modify, terminate or accelerate any obligation under, (v) result in a violation of, or (vi) require any authorization, consent, approval, exemption or other action by or notice or declaration to, or filing with, any court or administrative or governmental body or agency pursuant to, the charter or bylaws of the Purchaser, or any law, statute, rule or regulation to which the Purchaser is subject, or any agreement, instrument, order, judgment or decree to which the Purchaser is subject, including any shareholders' agreement affecting the Purchaser.

(c) Governmental Consent, etc. No permit, consent, approval or authorization of, or declaration to or filing with, any governmental authority is required in connection with (i) the execution, delivery and performance by the Purchaser of this Agreement or the other agreements contemplated hereby or (ii) the consummation by the Purchaser of any other transactions contemplated by this Agreement or the other agreements contemplated hereby.

(d) Authorized Capital. The authorized capital of the Purchaser consists of an unlimited number of Common Shares, 11,000,000 Class A Preferred Shares, 74,700,000 Class B Preferred Shares, issuable in three (3) series, of which 42,800,000 Class B Preferred Shares, Series I are authorized, 27,700,000 Class B Preferred Shares, Series II are authorized and 4,200,000 Class B Preferred Shares, Series III are authorized, 86,000,000 Class C Preferred Shares, and an unlimited number of Class D Preferred Shares, of which, immediately prior to the date hereof, 45,280,154 Common Shares, 10,616,811 Class A Preferred Shares, 40,920,275 Class B Preferred Shares, Series I, 27,682,288 Class B Preferred Shares, Series II, 3,347,627 Class B Preferred Shares, Series III, 80,451,633 Class C Preferred Shares and 147,300,142 Class D Preferred Shares are issued and are outstanding on the date hereof as fully paid and non-assessable shares in the capital of the Corporation.

(e) Class D Preferred Shares. At the Closing, the Share Consideration will have been duly authorized, issued and delivered by the Purchaser as fully-paid and non-assessable securities of the Purchaser, free and clear of any Liens or restrictions, except those imposed by applicable law, the Purchaser's existing unanimous shareholder agreement and the terms and conditions hereof, and will be issued in compliance with all applicable securities laws as are presently in effect. The common shares in the capital of the Purchaser that are issuable upon conversion of Share Consideration have been validly allotted for issuance, and when issued upon due conversion of the Share Consideration will be issued as fully paid and non-assessable common shares in the capital of the Purchaser.

(f) Consents & Approvals. All corporate approvals and consents by third parties that are required for the issuance and delivery of the Share Consideration to the Company, including any and all approvals and waivers required pursuant to any shareholders' agreements affecting the Purchaser, and the consummation of the other transactions contemplated hereby, will have been obtained as of the Closing.

(g) No Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Purchaser or its Affiliates.

(h) GST. The Purchaser is registered under Part IX of the *Excise Tax Act* (Canada) with registration number 889974713RT0001.

ARTICLE 6 OTHER COVENANTS

6.1 Employees.

The Purchaser will offer employment, as of the Closing Date, to the employees of the Company set out in Schedule "B" annexed hereto on terms and conditions substantially similar to the terms of their respective current employment with the Company (as disclosed by the Company to the Purchaser) and shall recognize their prior service to the Company and/or NewStep Networks Inc. for all purposes including, but not limited to, notice of termination and severance obligations under applicable law and for the purposes of subsection 9(1) of the *Employment Standards Act*, 2000. The Company shall render all reasonable assistance to encourage such employees to accept the offers in accordance with their terms. The Purchaser shall have no obligation to any such employee who refuses such an offer. Nothing in this Section 6.1 shall obligate the Purchaser to continue to employ any employee for any period of time.

6.2 Assignment of Contracts.

(a) Nothing in this Agreement shall be construed as an attempt to assign to the Purchaser any of the contracts, engagements, commitments, claims, and demands of the Company (collectively, the "Rights") having the following character:

(i) any contract, engagement, or commitment that, as a matter of law or by the terms thereof, is not assignable without the consent of the other party or parties to such contract, engagement or commitment unless such consent has been given, or

(ii) any claim or demand thereunder as to which all of the remedies for the enforcement thereof enjoyed by the Company would not, as a matter of law, pass to the Purchaser as an incident of the transfers to be made under this Agreement.

Until assigned to the Purchaser with such consent, the Company shall hold the Rights in trust for the Purchaser. In order that the full value of the Rights may be realized for the benefit of the Purchaser, the Company shall, at the request and expense and under the direction of the Purchaser, in the name of the Company or otherwise as the Purchaser may specify, take all such action and do or cause to be done all such things as are, in the opinion of the Purchaser, necessary or proper in order that the obligations of the Company thereunder may be performed in such manner that the value of such Rights is preserved and inures to the benefit of the Purchaser, and that the collection of any moneys due and payable and to become due and payable to the Purchaser in and under the Rights are received by the Purchaser; and the Company shall promptly pay over to the Purchaser all moneys collected by or paid to the Company in respect of every such Right.

(b) Notwithstanding subsection 6.2(a), the Company and Purchaser shall use all commercially reasonable efforts to obtain (including by the provision of such reasonable assurances and guarantees as may be required), where required, consents of all requisite parties to the assignment by the Company to the Purchaser of the Rights. The

Company shall pay the cost of obtaining such consents. In the event any party will not so consent to such assignment of a Right or change of control, the Company shall hold the same in trust for the Purchaser and shall carry out and comply with the terms and provisions thereof as agent for the Purchaser at the Purchaser's costs and for the Purchaser's benefit.

6.3 Indemnification.

(a) *Company Indemnification.* The Company shall indemnify and hold the Purchaser, its shareholders, directors, officers, employees, agents, representatives and the Purchaser's Affiliates and their respective directors, officers and employees (each a "Purchaser Indemnitee") harmless in respect of any claim, demand, action, cause of action, damage, loss, cost, liability, Tax or expense which may be made or brought against any such Person or which it may suffer or incur directly or indirectly, including to the extent arising out of a third party claim or a governmental investigation or proceeding that could give rise to any of the foregoing, in each case including related reasonable attorneys' fees and expenses, as a result of, in respect of or arising out of:

(i) any incorrectness in or breach of any representation or warranty of the Company contained in this Agreement or in any other agreement, certificate or instrument executed and delivered by the Company pursuant to this Agreement;

(ii) any breach of or any non-fulfilment of any covenant or agreement on the part of the Company under this Agreement or under any other agreement, certificate or instrument executed and delivered by the Company pursuant to this Agreement;

(iii) any Excluded Liabilities; and

(iv) any non-compliance with the *Bulk Sales Act* (Ontario) in connection with the sale of the Assets and the transfer of the Assumed Liabilities as contemplated herein.

(b) *Purchaser Indemnification.* The Purchaser shall indemnify and hold the Company, its shareholders, directors, officers, employees, agents, representatives and the Company's Affiliates and their respective directors, officers and employees (each a "Company Indemnitee") harmless in respect of any claim, demand, action, cause of action, damage, loss, cost, liability or expense which may be made or brought against any such Person or which it may suffer or incur directly or indirectly as a result of in respect of or arising out of:

(i) any incorrectness in or breach of any representation or warranty of the Purchaser contained in this Agreement or in any other agreement, certificate or instrument executed and delivered by the Purchaser pursuant to this Agreement;

(ii) any breach of or any non-fulfilment of any covenant or agreement on the part of the Purchaser under this Agreement or under any other agreement, certificate or instrument executed and delivered by the Purchaser pursuant to this Agreement; and

(iii) any Assumed Liabilities.

(c) *Survival Periods.* All representations, warranties, covenants, agreements and obligations of an Indemnifying Party contained in this Agreement and all claims of any Purchaser Indemnitee or Company Indemnitee in respect of any breach of any representation, warranty, covenant, agreement or obligation contained in this Agreement, shall survive the Closing and shall expire three (3) months after the date hereof, except that (i) covenants or obligations of the Company or Purchaser which by their terms are to be performed after the Closing, will survive the Closing and will not expire unless otherwise provided in this Agreement, and (ii) all claims relating to title, fraud

or intentional misrepresentation, or any claims by a Purchaser Indemnitee in respect of indemnification for Excluded Liabilities or any non-compliance with the *Bulk Sales Act* (Ontario) in connection with the sale of the Assets and the transfer of the Assumed Liabilities as contemplated herein, or any claims by a Company Indemnitee in respect of indemnification for Assumed Liabilities, will survive the date hereof and will not expire until thirty (30) days after the expiration of any applicable statute of limitations, including extensions thereof. Notwithstanding anything herein to the contrary, indemnification for claims for which written notice has been given in accordance with the terms hereof prior to the expiration of the representation, warranty, covenant, or agreement or obligation upon which such claim is based will not expire, and claims for indemnification may be pursued, until the final resolution of such claim in accordance with the terms hereof.

(d) *Notices; Defence of Claims.* If an Indemnitee believes it is entitled to indemnification pursuant to this Section 6.3, the Indemnitee shall give the appropriate Indemnifying Party prompt written notice thereof. Any such notice will set forth in reasonable detail the facts and circumstances giving rise to the claim and to the extent then known, the basis for such claim for indemnification, the nature of the damages and the amount thereof. So long as the Indemnitee gives notice within the periods specified by Section 6.3(c), the failure of the Indemnitee to promptly give notice of any claim for indemnification shall not adversely affect the Indemnitee's right to indemnity hereunder except to the extent that such failure adversely affects the right of the Indemnifying Party to assert any reasonable defense to such claim. In connection with any claim which may give rise to indemnity under this Section 6.3 resulting from or arising out of any claim or proceeding against an Indemnitee by a Person that is not a party hereto, upon written notice sent at any time to the relevant Indemnitee, the Indemnifying Party may assume the defense of any such claim or proceeding (unless such Indemnitee elects not to seek indemnity hereunder for such claim) if the Indemnifying Party with respect to such claim or Proceeding acknowledges to the Indemnitee the Indemnitee's right to indemnity pursuant hereto in respect of the entirety of such claim (as such claim may have been modified through written agreement of the parties hereunder) and provide assurances, reasonably satisfactory to such Indemnitee, that the Indemnifying Party will be financially able to satisfy its obligations with respect to such claim in full if such claim or proceeding is decided adversely. If the Indemnifying Party assumes the defense of any such claim or proceeding, the Indemnifying Party shall select counsel reasonably acceptable to such Indemnitee to conduct the defense of such claim or proceeding, shall take all steps reasonably necessary in the defense or settlement thereof and shall at all times diligently and promptly pursue the resolution thereof. If the Indemnifying Party assumes the defense of any claim or proceeding in accordance with this Section 6.3, the Indemnifying Party may consent to a settlement of, or the entry of any judgment arising from, any such claim or proceeding without the prior written consent of such Indemnitee; provided, however, that:

(i) the Indemnifying Party shall pay or cause to be paid all amounts arising out of such settlement or judgment either concurrently with the effectiveness thereof or shall obtain and deliver to such Indemnitees prior to the execution of such settlement a general release executed by the Person not a party hereto, which general release shall release such Indemnitee from any liability in such matter;

(ii) the Indemnifying Party shall not be authorized to encumber any of the assets of any Indemnitee or to agree to any restriction that would apply to any Indemnitee or to its conduct of business; and

(iii) a condition to any such settlement shall be a complete release of such Indemnitee and its directors, shareholders, officers, employees, consultants, agents and their respective Affiliates with respect to such claim.

Such Indemnitee shall be entitled to participate in (but not control) the defense of any such action, with its own counsel and at its own expense. Each Indemnitee shall, and shall cause each of its Affiliates, officers, employees, consultants and agents to, cooperate fully with the Indemnifying Party in the defense of any claim or proceeding being defended by the Indemnifying Party pursuant to this Section 6.3. If the Indemnifying Party does not assume the defense of any claim or proceeding resulting therefrom in accordance with the terms of this Section 6.3, such

Indemnatee may defend against such claim or proceeding in such manner as it may deem appropriate, including settling such claim or proceeding after giving notice of the same to the Indemnifying Party, on such terms as such Indemnatee may deem appropriate. If the Indemnifying Party seeks to question the manner in which such Indemnatee defended such claim or proceeding or the amount of or nature of any such settlement, the Indemnifying Party shall have the burden to prove by a preponderance of the evidence that such Indemnatee did not defend such claim or proceeding in a reasonably prudent manner.

(e) *Limitations.* Notwithstanding anything contained in this Agreement to the contrary: (i) the aggregate liability of any Indemnifying Party for all monetary claims by Purchaser Indemnitees pursuant to subsections 6.3(a)(i) or 6.3(a)(ii) shall be limited to a maximum amount equal to the Escrow Amount, provided that in the case of claims by Purchaser Indemnitees with respect to title or Excluded Liabilities or any non-compliance with the *Bulk Sales Act* (Ontario) in connection with the sale of the Assets and the transfer of the Assumed Liabilities as contemplated herein, the liability of any Indemnifying Party shall be limited to a maximum amount equal to the Purchase Price, and provided further there shall be no limitation or cap on the liability of any Indemnifying Party for claims by the Purchaser Indemnitees for fraud or intentional misrepresentation by the Company; (ii) the aggregate liability of any Indemnifying Party for all monetary claims by Company Indemnitees pursuant to subsections 6.3(b)(i) or 6.3(b)(ii) shall be limited to a maximum amount equal to the issuance price of the Class D Preferred Shares issued pursuant to Section 2.1(b), provided that in the case of claims by Company Indemnitees with respect to Assumed Liabilities, the liability of any Indemnifying Party shall be limited to a maximum amount equal to the value of the Assumed Liabilities, and provided further there shall be no limitation or cap on the liability of any Indemnifying Party for claims by the Company Indemnitees for fraud or intentional misrepresentation by the Purchaser; and (iii) no Indemnifying Party shall have any liability for indemnification pursuant to this Section 6.3 unless and until the accumulated aggregate amount of claims of the Indemnatee exceeds \$25,000, following which all such accumulated claims and all further claims of the Indemnatee shall be recoverable as provided in this Agreement.

(f) *Purchaser Recourse.* The Purchaser's sole and exclusive recourse for all monetary claims by Purchaser Indemnitees pursuant to subsections 6.3(a)(i) or 6.3(a)(ii) shall be limited to the Escrow Amount. Without otherwise limiting the rights and remedies of the Purchaser hereunder, subject to the limitations set forth in Section 6(e), in satisfying any amount to be paid by the Company to a Purchaser Indemnatee pursuant to an indemnification claim made hereunder, other than claims by Purchaser Indemnitees pursuant to subsections 6.3(a)(i) or 6.3(a)(ii) or any non-compliance with the *Bulk Sales Act* (Ontario) in connection with the sale of the Assets and the transfer of the Assumed Liabilities as contemplated herein, the Company (or any permitted transferee thereof) may, at its sole discretion, surrender all or any portion of the Class D Preferred Shares to the Purchaser for cancellation and repurchase at the issue price therefor in satisfaction of such portion of the indemnification claim.

(g) *Exclusive Remedies.* Except as expressly provided for herein, the remedies under this Section 6.3 will be the sole and exclusive remedy for any breach of this Agreement, except that nothing set forth herein shall be deemed to prohibit or limit Purchaser or Company's right to seek injunctive or other equitable relief at any time before, on or after the date hereof for the failure of any party to perform any covenant or agreement contained herein.

6.4 Public Disclosure; Use of NewStep Name.

Following the Closing, the Purchaser may make public announcements and other public disclosures with respect to the acquisition and continued use of the Assets by the Purchaser as part of its business, provided that details with respect to the Purchase Price and any confidential, proprietary or other sensitive information shall not be disclosed by either party, and shall remain subject to any existing confidentiality agreement between the parties. The Purchaser shall also be entitled to use the "NewStep" corporate name and product names in any such public announcements and other public disclosures in order to confirm that the Purchaser has purchased the Assets formerly owned by NewStep and that Purchaser offers support for and is selling products formerly owned by NewStep.

6.5 Bulk Sales.

The Company and the Purchaser hereby acknowledge and agree that each shall waive compliance with the *Bulk Sales Act* (Ontario) in connection with the sale of the Assets contemplated herein, and the Company hereby agrees to indemnify and save the Purchaser harmless from and against any and all liabilities (including, without limitation, legal fees as rendered on a solicitor and his own client basis) in accordance with the terms set forth in Section 6.3 hereof.

6.6 Pre-Closing Covenants.

(a) Each party to this Agreement shall use commercially reasonable efforts to take, or cause to be taken, all appropriate action, and do, or cause to be done, all things necessary, proper or advisable under applicable law or otherwise, and to execute such other documents, instruments and certificates, to promptly consummate and make effective the transactions contemplated by this Agreement. Each party to this Agreement shall cooperate fully with the other party to this Agreement in promptly seeking to make and obtain any applicable consents and approvals and to fulfill and satisfy any applicable covenants and conditions to Closing hereunder.

(b) The Company hereby further agrees that from the date hereof until the earlier of the Closing Date and June 10, 2009, it will not directly or indirectly: (i) solicit, encourage, initiate, accept, support, approve or participate in any negotiations or discussions or disclosures with respect to any offer, enquiry or proposal to acquire, directly or indirectly, all or any part of the Company; or (ii) agree to, enter into a contract, arrangement or understanding regarding, approve, recommend or endorse any other competing proposed transaction or to take any such action or other actions as would adversely affect the Company to consummate the within transaction. The Company shall immediately cease and cause to be terminated all existing discussions or negotiations with any parties (other than the Purchaser or its Affiliates) conducted heretofore which could reasonably be expected to lead to any competing proposed transaction. Through to the Closing Date, the Company shall notify the Purchaser immediately if any offer, indication of interest or proposal (formal or informal, oral, written or otherwise), or any inquiry or contact with any person with respect thereto, regarding a competing proposed transaction is made or is outstanding on the date hereof, such notice to include the identity of the person proposing such competing proposed transaction and the terms thereof, and shall keep the Purchaser apprised, on a current basis, of any modifications to such competing proposed transaction; *provided* that this provision shall not in any way be deemed to limit the obligations of the Company set forth above.

6.7 Termination.

This Agreement may be terminated at any time prior to the Closing Date by the mutual written consent of Purchaser and the Company. Either party, by giving written notice to the other, may terminate this Agreement if the Closing shall not have occurred by June 17, 2009; provided, however, that the right to terminate this Agreement pursuant to this Section 6.7 shall not be available to any party whose material breach of a representation, warranty or covenant made in this Agreement by such party results in the failure of any condition set forth herein to be fulfilled or

satisfied on or before such date. Either party may terminate this Agreement at any time prior to the Closing Date if the other party has committed a material breach of its representations, warranties or covenants under this Agreement and has not cured such material breach within five (5) business days after the party seeking to terminate this Agreement has given the other party written notice of the material breach and its intention to terminate this Agreement, provided, however, that no such cure period shall be available or applicable to any such material breach which by its nature cannot be cured) and provided further that the right to terminate this Agreement under this Section 6.7 shall not be available to a party if the party is at that time in material breach of this Agreement. In the event of termination of this Agreement, this Agreement shall forthwith become void and there shall be no liability or obligation on the part of any party, provided, however, that (i) the provisions of this Section 6.7 and Article 7 hereof shall remain in full force and effect and survive any termination of this Agreement and (ii) nothing herein shall relieve any party hereto from liability in connection with any breach of this Agreement.

ARTICLE 7 GENERAL

7.1 Interpretation

(1) Definitions. Where used herein or in any amendment or supplement hereof, unless the context otherwise requires, the words and phrases with initial capitals set forth in Exhibit A hereto have the meanings so set forth therein.

(2) Schedules. Schedules and other documents attached or referred to in this Agreement are an integral part of this Agreement.

(3) Sections and Headings. The division of this Agreement into Articles, sections, subsections, paragraphs, and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

(4) Extended Meanings. Words importing the singular number include the plural and vice-versa; words importing the masculine gender include the feminine and neuter genders.

(5) Funds. Except where otherwise indicated, all dollar amounts referred to in this Agreement are in lawful money of the United States.

7.2 Expenses

Each party is responsible for its own legal and audit fees and other charges incurred in connection with the preparation of this Agreement, all negotiations between the parties, and the consummation of the transactions contemplated hereby.

7.3 Further Assurances

Each of the parties hereto shall from time to time at the other's request and expense and without further consideration, execute and deliver such other instruments of transfer, conveyance, and assignment and take such further action as the other may require to more effectively complete any matter provided for herein. Each of the parties hereto shall assist each other (including making records available) in the preparation of their respective Tax Returns and the filing and execution of Tax elections, if required, as well as any audits or litigation that ensue as a result of the filing thereof, to the extent that such assistance is reasonably requested.

7.4 Entire Agreement; Amendment

This Agreement constitutes the entire agreement between the parties and, except as herein stated and in the instruments and documents to be executed and delivered pursuant hereto, contains all of the representations and warranties of the respective parties. There are no oral representations or warranties among the parties of any kind. This Agreement may not be amended or modified in any respect except by written instrument signed by both parties. No other course of dealing between the parties hereto or any delay in exercising any rights hereunder shall operate as a waiver of any rights of any party hereto.

7.5 Non-Merger

Each party hereby agrees that, other than the conditions in Article Four, all provisions of this Agreement forever survive the execution and delivery of this Agreement and any and all documents delivered in connection herewith.

7.6 Severability

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

7.7 Applicable Law

All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the Province of Ontario, without giving effect to any choice of law or conflict of law rules or provisions (whether of the Province of Ontario or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the Province of Ontario.

7.8 Notices

Any notice required or permitted to be given hereunder shall be in writing and shall be effectively given if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent prepaid by facsimile, or other similar means of electronic communication and confirmed on the same or following day by prepaid mail, addressed, in the case of notice to the Company, if addressed to it as follows:

105 Adelaide Street West, Suite 1000
Toronto, ON M5H 1P9
Attention: Peter Carrescia
Facsimile No.: (416) 971-6519

with a copy to:

LaBarge Weinstein Professional Corporation
515 Legget Drive, Suite 800
Ottawa, ON K2K 3G4

Attention: Deborah Weinstein

Facsimile No.: (613) 599-0018

and in the case of notice to the Purchaser, if addressed to it as follows:

1 Hines Road, Suite 100
Ottawa, ON K2K 3C7
Attention: CEO
Facsimile No.: (613) 280-2030

and in all cases so delivered personally or by courier or so sent by means of electronic communication, so confirmed. Any notice so given is deemed conclusively to have been given and received when so personally delivered or sent by facsimile, or other electronic communication or on the second day following the sending thereof by private courier or mail. Any party hereto or others mentioned above may change any particulars of its address for notice by notice to the others in the manner aforesaid.

7.9 Successors and Assigns

This Agreement inures to the benefit of and is binding upon the parties hereto and their respective successors and assigns; provided that the Company may not assign its rights or obligations hereunder without the prior written consent of the Purchaser.

7.10 Counterparts

This Agreement may be executed simultaneously in two or more counterparts (including by means of facsimile), any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement.

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IN WITNESS WHEREOF this Asset Purchase Agreement has been executed by the parties hereto as of the date first above written.

4515218 CANADA INC.

by: 

President

NATURAL CONVERGENCE INC.

by: _____

Chief Executive Officer

IN WITNESS WHEREOF this Asset Purchase Agreement has been executed by the parties hereto as of the date first above written.

4515218 CANADA INC.

by: _____
President

NATURAL CONVERGENCE INC.

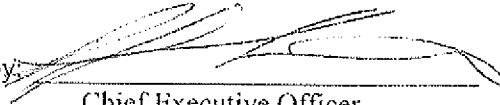
by:  _____
Chief Executive Officer

EXHIBIT A

DEFINITIONS

"Affiliate" of any Person means any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person.

"Agreement" means this Agreement and any instrument supplemental or ancillary hereto; and the expressions "Article", "Section", "subsection", "paragraph", and "subparagraph" followed by a number means and refers to the specified Article, section, subsection, paragraph, or subparagraph of this Agreement.

"Assets" means substantially all of the intellectual property (all CSN software and all proprietary client software along with all patents, any patent applications, and any trademarks) and all the technology equipment related to the products formerly offered by NewStep Networks Inc. and its Affiliates, including laboratory and development as well as related hardware and software for networking testing and demonstrations, and related intangibles such as tradenames, marks, and books and records with respect to such Assets, all as more particularly described in Schedule "A" annexed hereto, including without limitation the Transferred Intellectual Property, the Transferred Personal Property, the Transferred Contracts, the Transferred Claims and the Transferred Books and Records, but excluding for greater certainty the Excluded Assets.

"Assumed Liabilities" means only (a) the obligations to the employees of the Company who accept employment with the Purchaser in respect of pay and salaries, commissions, vacation and holiday pay and salaries, worker's compensation levies, withholding deductions for federal and provincial income taxes, other payroll deductions, Canada Pension Plan, and provincial pension plan deductions and payments, all from and after the Closing Date, but excluding for greater certainty any amounts accrued to be due and owing to such employees prior to Closing (such as accrued and unpaid vacation pay), but, for greater certainty, shall include all notice of termination and severance obligations of the employees who accept employment with the Purchaser under applicable law and for the purposes of subsection 9(1) of the *Employment Standards Act*, 2000, (b) any obligations under the Transferred Contracts first arising from and after the Closing Date, but excluding for greater certainty any amounts accrued to be due and owing under such contracts prior to Closing, (c) any obligations relating to the Assets first arising from and after the Closing Date (other than Excluded Liabilities) and (d) the payment of the amounts listed on Exhibit C attached hereto.

"Closing" means the completion of the transactions contemplated by this Agreement as of the Closing Date.

"Closing Date" means June 3, 2009 or such earlier or later date as may be mutually acceptable to the parties hereto.

"Company" means 4515218 Canada Inc., a corporation incorporated under the laws of Canada.

"Excluded Assets" means all assets that are not Assets, including without limitation (i) all corporate names including the name "NewStep Networks", all telephone numbers, domain names, domain name registrations, website names and worldwide web addresses and other communications addresses, (ii) cash, cash equivalents, accounts receivable, refunds, credits, insurance proceeds, and (iii) any hardware or software used to operate or maintain any non-development assets (for example, including office exchanges (including email), financing and HR servers).

"Excluded Liabilities" has the meaning ascribed thereto in Section 1.2, including without limitation any obligations or liabilities of the Company that are not Assumed Liabilities.

"Indemnifying Party" means each of (a) the Company, with respect to any claim asserted by any Purchaser Indemnitee under Section 6.3, and (b) the Purchaser, with respect to any claim asserted by any Company Indemnitee under Section 6.3.

"Indemnatee" means any (a) Purchaser Indemnatee, with respect to any claim for which the Company is an Indemnifying Party under Section 6.3 or (b) Company Indemnatee, with respect to any claim for which the Purchaser is an Indemnifying Party under Section 6.3.

"Intellectual Property Licenses" mean any contracts, licenses or agreements to which the Company is a party (i) related to the licensing or acquisition of any third party intellectual property rights or technology used by the Company that is not generally available on commercially reasonable terms; (ii) related to the sale or licensing of any Transferred Intellectual Property to any third party pursuant to which the Company has granted a third party exclusive rights, "most favorable" pricing, limits on price increases or other similar terms with respect to the Transferred Intellectual Property; (iii) that require the Company to license, assign or otherwise grant rights to additions, modifications or improvements to intellectual property of a third party made by or for the Company to any third party; (iv) pursuant to which a third party has been, or may be, granted rights to access, possess or use software source code that is Transferred Intellectual Property, including without limitation, any related source code escrow agreements; and (v) that contain covenants not to assert a claim or suit with respect to, or contain any other material restriction on the ability to use or exploit, the Transferred Intellectual Property.

"Liens" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof), any sale of receivables with recourse against the Company, any subsidiary or any Affiliate, any filing or agreement to file a financing statement as debtor under the *Personal Property Security Act* (Ontario) or any similar statute other than to reflect ownership by a third party of property leased to the Company or any subsidiaries under a lease which is not in the nature of a conditional sale or title retention agreement, or any subordination arrangement in favor of another Person (other than any subordination arising in the ordinary course of business).

"Material" or "material" means material to the financial condition, operating results, assets (including, without limitation, the Assets), customer or supplier relations, employee relations, operations or business prospects of the Company.

"Material Adverse Effect" means a material adverse effect on the financial condition, operating results, assets (including, without limitation, the Assets), customer or supplier relations, employee relations, operations or business prospects of the Company.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, any other business entity and a governmental entity or any department, agency or political subdivision thereof.

"Public Software" means any software that contains, or is derived in any manner (in whole or in part) from, any software that is distributed as free software or open source software (e.g., Linux) or licensed for use under "copyleft" or open source licenses (e.g., GNU's GPL or LGPL) or similar licensing or distribution models.

"Purchase Price" has the meaning ascribed thereto in Section 2.1.

"Purchaser" means Natural Convergence Inc., a corporation incorporated under the laws of Canada.

"Tax" or "Taxes" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, unemployment insurance and employment insurance payments and workers compensation

premiums, together with any installments with respect thereto, and any interest, fines and penalties, imposed by any governmental authority (including federal, state, provincial, municipal and foreign governmental authorities), and whether disputed or not.

"Tax Return" means any return, information report or filing with respect to Taxes, including any schedules attached thereto and including any amendment thereof filed or required to be filed in connection with the determination, assessment or collection of Taxes of any party or administration of any laws, regulations or administrative requirements relating to any Taxes.

"Transferred Books and Records" has the meaning ascribed thereto in Section 1.4.

"Transferred Claims" means all rights, claims, causes of actions, warranties, rights of recovery and set-offs of the Company related to Assets against any third parties, including all rights under express or implied warranties relating to the Assets or the ownership, use, function or value of any Assets, including the claims described in Schedule "A".

"Transferred Contracts" means the contracts, agreements, commitments, sales orders, purchase orders, licenses, leases or arrangements, identified on Schedule "A".

"Transferred Intellectual Property" means all intellectual property described in Schedule "A", including with respect to the intellectual property described in Schedule "A": (i) all product names and related trade names and marks; (ii) all inventions, patents, patent rights, patent applications (including all reissues, divisions, continuations, continuations-in-part and extensions of any patent or patent application), (iii) all industrial designs and applications for patent and registration of industrial designs and industrial design rights, design patents and industrial design registrations; (iv) all trade-marks (whether used with wares or services and including the goodwill attaching to such trade-marks) and registrations and applications for registration of trade-marks and all trade dress, logos, slogans and brand names; (v) all copyright in all works (including software programs and databases) and database rights and applications, data content and registrations and applications for registrations of copyright; (vi) all rights and interests in and to processes, lab journals, notebooks, data, trade secrets, designs, know-how, product formulae and information, manufacturing, engineering and other drawings and manuals, technology, blue prints, research and development reports, agency agreements, technical information, technical assistance, engineering data, design and engineering specifications, and similar materials recording or evidencing expertise or information; (vii) all of the intellectual property affected by the registrations and applications for registration listed on Schedule "A"; (viii) all other intellectual property rights throughout the world used by Company; (ix) all licenses granted by the Company of the Transferred Intellectual Property; (x) all future income and proceeds from any of the Transferred Intellectual Property; and (xi) all rights to damages and profits by reason of the infringement of any of the Transferred Intellectual Property.

"Transferred Personal Property" means the personal property of the Company, including without limitation equipment, computers, servers, machinery, vehicles, furniture, fixtures, office equipment, tools, parts, supplies and other personal property owned by the Company, identified in Schedule "A".

EXHIBIT B

ALLOCATION OF PURCHASE PRICE
(\$US)

Purchase Price:	1,244,349.41
Cash Consideration	900,000.00
Share Consideration	323,523.32
Assumed Liabilities	20,826.09

Allocation of Purchase Price and Assumed Liabilities:

Transferred Personal Property	35,000.00
Transferred Contracts	1.00
Transferred Claims	1.00
Transferred Books and Records	1.00
Transferred Intellectual Property	1,209,346.41

EXHIBIT C

ASSUMED LIABILITIES

Schedule of Expenses to be paid by Natural Convergence Inc. (NCI)

				(Bank of Canada closing rate on May 21/09)	
	Vendor	Description of expense	Invoice #	Cdn\$	US\$
1	MG MacDonald	Moving development lab hardware to Ottawa	To be invoiced	5,670.00	4,982.43
					NCI to reimburse NewStep
2	Globalex Insurance	Insurance costs	1411	1,080.00	949.03
					NCI to reimburse NewStep
3	Ogilvy Renault	Patent 9-16310-76US - reporting Final Office Action	887551	163.80	143.94
					NCI to reimburse NewStep
4	Ogilvy Renault	Patent 9-16310-76US - filing a prepared response to Office Action	900836	245.70	215.91
					NCI to reimburse NewStep
5	Ogilvy Renault	Patent 9-16310-76US - reporting Office Action / Advisory Action	903382	163.80	143.94
					NCI to reimburse NewStep
6	Ogilvy Renault	Patent 9-16310-64CA - maintenance fees	To be invoiced	425.00	373.46
					NCI to reimburse NewStep
7	Woodhunting Consulting	Cost of responding to final office action for patent 9-16310-76US	741	3,150.00	2,768.01
					NCI to reimburse NewStep
		Represents 50% of the legal fees for assigning agreement to third party	To be invoiced	2,845.00	2,500.00
8	CCPU	Patent 9-16310-76US ---			
					NCI to reimburse NewStep
9	Ogilvy Renault	government fee for filing response to Advisory Action	To be invoiced	921.78	810.00
					NCI to reimburse NewStep
10	Ogilvy Renault	Patent 9-16310-76US - fee for filing response to Advisory Action	To be invoiced	500.00	439.37
					NCI to reimburse NewStep
					NCI to pay US\$3,750 per quarter for the 2 nd and 3 rd quarter of 2009
11	Global IP Solutions, Inc.	Maintenance and Support	N/A	8,535*	7,500*
				<u>23,700.08</u>	<u>20,826.09</u>

* Subject to the receipt from Global IP Solutions, Inc. of consent to the assignment of the OEM License and Distribution Agreement by and between Global IP Solutions, Inc. and NewStep Networks Inc. dated October 31, 2005 to Natural Convergence Inc.

Please see the attached schedule of Maintenance and Support obligations, which summarizes the costs of the maintenance and support obligations associated with such agreement in the event Natural Convergence Inc. ("NCI") chooses to renew the maintenance and support obligations following the Closing Date. For greater certainty, such obligations are only payable by NCI and considered Assumed Liabilities under this Agreement in the event NCI chooses to renew such maintenance and support obligations.

Maintenance and Support
All amounts are in USD unless otherwise stated

NewStep Product	Vendor	3rd Party Software	Purchase Date	License Fee Paid	License Fee used for M&S	M&S %	M&S Period	M&S Fee	Unpaid M&S Period	Unpaid M&S Fee	Notes
CSN 1000 / CSN 30	CCPU	MAP - IS 41 - MSC	07/02/2007	4,988.00	5,880.00	38.10%	Dec. 31/08 - Dec. 30/09	-	Dec. 31/08 - Dec. 30/09	2,240.00	2 years of M&S fees
CCPU		MAP 3G - MSC, VLR and Base	07/02/2007	29,932.00	35,280.00	38.10%	Dec. 31/08 - Dec. 30/09	-	Dec. 31/08 - Dec. 30/09	13,440.00	2 years of M&S fees
CCPU		CAP (Camel Application Part)	07/02/2007	24,992.00	29,400.00	38.10%	Dec. 31/08 - Dec. 30/09	-	Dec. 31/08 - Dec. 30/09	11,200.00	2 years of M&S fees
CCPU		WINIS41	07/02/2007	12,486.00	14,700.00	38.10%	Dec. 31/08 - Dec. 30/09	-	Dec. 31/08 - Dec. 30/09	5,600.00	2 years of M&S fees
CCPU		TCAP (ITU 98 Japan TTC)	07/02/2007	22,453.00	26,460.00	19.05%	Jan. 1/03 - Dec. 30	5,040.00	Dec. 31/08 - Dec. 30/09	5,040.00	1 year of M&S fees
CCPU		TCAP (ANSI 68, 92 & 96)	07/02/2007	7,498.00	8,820.00	19.05%	Dec. 31/08 - Dec. 30/09	-	Dec. 31/08 - Dec. 30/09	1,680.00	1 year of M&S fees
CCPU		SILA	07/02/2007	53,281.00	62,672.00	15.32%	Jan. 1/08 - Dec. 30	9,600.00	Dec. 31/08 - Dec. 30/09	9,600.00	1 year of M&S fees
CCPU		SCTP & TUCL (SS7/IP Signaling Transport Layer)	07/02/2007	38,750.00	45,584.00	17.55%	Jan. 1/08 - Dec. 30	3,000.00	Dec. 31/08 - Dec. 30/09	8,000.00	1 year of M&S fees
CCPU		Multi-threaded System Services - Solaris / Linux	07/02/2007	1,500.00	1,764.00	38.10%		-	Dec. 31/08 - Dec. 30/09	672.00	2 years of M&S fees
CCPU		MTP-3 User Adaption (M3UA) Layer	02/01/2008	-	60,000.00	19.00%		-	July 2/08 - Dec. 30/09	17,100.00	1.5 years of M&S fees (M&S ordered at end of warranty period of 6 months)
CCPU		SCCP - Connectionless - ITU 88, 92, 98, GSM 08.06/China-94	02/01/2008	46,800.00	60,000.00	19.00%		-	July 2/08 - Dec. 30/09	12,768.00	1.5 years of M&S fees (M&S ordered at end of warranty period of 6 months)
CSN 1000 / CSN 30	NCL Technologies	Switch Note		34,944.00	44,500.00	19.00%		-	Run time license is Euro 1,000/cpu with 20% M&S annually	-	
CSN 1000 / CSN 30	Oracle Corporation Canada Inc.	Oracle DB & drivers - Standard 1 edition (embedded license)		-	-	-		-	M&S payable on embedded licenses sold as part of CSN license	-	
CSN 1000 / CSN 30	Radvision Inc.	SIP Server - Solaris		80,000.00	80,000.00	19.00%		-	Jan. 13/09 - Jan. 17/10	15,000.00	
CSN 1000 / CSN 30	Radvision Inc.	SIP Stack and SIP Server - Solaris - B2B		-	-	20.00%		-	Jan. 18/09 - Jan. 17/10	4,000.00	
CSN 1000 / CSN 30	Radvision Inc.	SIP Stack and SIP Server - Linux and B2B		20,000.00	25,000.00	26.00%		-	Feb. 23/09 - Feb. 22/10	2,500.00	The 25% can be reduced to 22% currently.
CSN 1000 / CSN 30	Radvision Inc.	SIP Stack and SIP Server - Linux - B2B		10,000.00	10,000.00	25.00%		-	Feb. 23/09 - Feb. 22/10	2,500.00	The 25% can be reduced to 22% currently.
Client - WMS	Radvision Inc.	SIP Protocol Toolkit for WinCE		-	50,000.00	25.00%		-	Feb. 23/09 - Feb. 22/10	12,500.00	The 25% can be reduced to 22% currently.
22,840.00									124,840.00		

SCHEDULE "A"

ASSETS

Transferred Intellectual Property

- All CSN software and all proprietary client software
- The following Trade-Marks:

Country	Trade-mark	Reg. #/App. #
CA	CONVERGED SERVICES NODE	1,262,561
US	CONVERGED SERVICES NODE (Pending)	78/671,872

- The Patents listed below:

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
9-16310-13CA	CA	25/6/02	2216620	METHOD AND APPARATUS FOR DYNAMICALLY ROUTING CALLS IN AN INTELLIGENT NETWORK	Lloyd WILLIAMS Normand A. CLERMON T Colin A. REID	NEWSTEP NETWORKS INC.	5/4/07		Annually	24/9/09
9-16310-13DE	DE	1/9/04	1018271	METHOD AND APPARATUS FOR DYNAMICALLY ROUTING CALLS IN AN INTELLIGENT NETWORK	Lloyd WILLIAMS Normand A. CLERMON T Colin A. REID	NEWSTEP NETWORKS INC.	06/18/04	EP Patent Certificate	Annually	23/9/09
9-16310-13EP	EP	1/9/04	1018271	METHOD AND APPARATUS FOR DYNAMICALLY ROUTING CALLS IN AN INTELLIGENT NETWORK	Lloyd WILLIAMS Normand A. CLERMON T Colin A. REID	NEWSTEP NETWORKS INC.	06/18/04	Patent Certificate	Annually	No further renewal fees due
9-16310-13FR	FR	1/9/04	1018271	METHOD AND APPARATUS FOR DYNAMICALLY ROUTING CALLS IN AN INTELLIGENT NETWORK	Lloyd WILLIAMS Normand A. CLERMON T Colin A. REID	NEWSTEP NETWORKS INC.	06/18/04	EP Patent Certificate	Annually	23/9/09
9-16310-13GB	GB	1/9/04	1018271	METHOD AND APPARATUS FOR DYNAMICALLY ROUTING CALLS IN AN INTELLIGENT NETWORK	Lloyd WILLIAMS Normand A. CLERMON T Colin A. REID	NEWSTEP NETWORKS INC.	06/18/04	EP Patent Certificate	Annually	23/9/09

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
9-16310-13MX	MX	18/12/03	218335	METHOD AND APPARATUS FOR DYNAMICALLY ROUTING CALLS IN AN INTELLIGENT NETWORK	Lloyd WILLIAMS Normand A. CLERMON T Colin A. REID	NEWSTEP NETWORKS INC.	11/4/04		Every 5 Years	23/9/09
9-16310-13US	US	1/5/01	6226289	METHOD AND APPARATUS FOR DYNAMICALLY ROUTING CALLS IN AN INTELLIGENT NETWORK	Lloyd WILLIAMS Normand A. CLERMON T Colin A. REID	BEL CANADA REVD NETWORKS NEWSTEP NETWORKS INC.	03/05/01 02/27/04 12/27/05	011565/0029 015008/0744 017136/0944	31/2, 71/2 and 111/2 Years	1/11/12
9-16310-18CA	CA	4/12/01	2225937	METHOD AND SYSTEM FOR COMPLETING A VOICE CONNECTION BETWEEN FIRST AND SECOND VOICE TERMINALS IN A SWITCHED TELEPHONE NETWORK	Gordon J. GILBERT Gordon M. MELICK Lloyd Williams Colin A. REID	NEWSTEP NETWORKS INC.	5/4/07		Annually	24/12/09
9-16310-18EP	ep	13/10/04	1042922	METHOD AND SYSTEM FOR COMPLETING A VOICE CONNECTION IN A SWITCHED TELEPHONE NETWORK	Gordon J. GILBERT Gordon M. MELICK Lloyd Williams Colin A. REID	NEWSTEP NETWORKS INC.	22/6/04	Patent Certificate	Annually	no further renewal fees due

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
9-16310-18MX	MX	26/5/04	220616	METHOD AND SYSTEM FOR COMPLETING A VOICE CONNECTION BETWEEN FIRST AND SECOND VOICE TERMINALS IN A SWITCHED TELEPHONE NETWORK	Gordon J. GILBERT Gordon M. MELICK Lloyd Williams Colin A. REID	NEWSTEP NETWORKS INC.	Filed 11/04/04		Every 5 Years	22/6/09
9-16310-18US	US	1/8/00	6097804	METHOD AND SYSTEM FOR COMPLETING A VOICE CONNECTION BETWEEN FIRST AND SECOND VOICE TERMINALS IN A SWITCHED TELEPHONE NETWORK	Gordon J. GILBERT Gordon M. MELICK Lloyd Williams Colin A. REID	BELL CANADA REVD NETWORKS, INC. NEWSTEP NETWORKS INC.	12/23/97 02/27/04 12/27/05	008948/0 608 015008/0 771 017136/0 881	31/2, 71/2 and 111/2 Years	1/2/12
9-16310-21CA	CA	28/5/02	2270601	METHOD AND SYSTEM FOR USING TCAP SIGNALING FOR IMPROVED CALL SETUP FROM A VIRTUAL SWITCHING POINT	Lloyd WILLIAMS Gordon J. GILBERT	NEWSTEP NETWORKS INC.	5/4/07		Annually	3/5/09
9-16310-21BR	BR			METHOD AND SYSTEM FOR IMPROVED CALL SETUP	Lloyd WILLIAMS Gordon J. GILBERT	NEWSTEP NETWORKS INC.	11/5/05	Industria l Property Journal	Annually	3/5/09

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
9-16310-21FR	FR	15/1/03	1075768	METHOD AND SYSTEM FOR IMPROVED CALL SETUP	Lloyd WILLIAMS Gordon J. GILBERT	NEWSTEP NETWORKS INC.	06/26/06	Registration Certificate	Annually	3/5/09
9-16310-21US	US	22/5/01	6236722	METHOD AND SYSTEM FOR USING TCAP SIGNALING FOR IMPROVED CALL SETUP FROM A VIRTUAL SWITCHING POINT	Lloyd WILLIAMS Gordon J. GILBERT	BELL CANADA REVD NETWORKS INC. NEWSTEP NETWORKS INC.	05/01/98 12/08/03 12/20/05	9148/0856 014754/0727 016914/0799	31/2, 71/2 and 111/2 Years	22/11/12
9-16310-31CA	CA	9/9/03	2300653	ENHANCED APPLICATION TELEPHONE NETWORK	Lloyd WILLIAMS	NEWSTEP NETWORKS INC.	5/4/07		Annually	14/3/09
9-16310-31US	US	10/12/02	6493444	ENHANCED APPLICATION TELEPHONE NETWORK	Lloyd WILLIAMS	BELL CANADA REVD NETWORKS, INC. NEWSTEP NETWORKS INC.	03/16/99 12/02/03 04/25/06	009839/0612 014162/0938 017519/0913	31/2, 71/2 and 111/2 Years	10/6/10
9-16310-36CA-1	CA			APPARATUS FOR VENDING AND DELIVERING TELEPHONE SERVICES	Lloyd WILLIAMS	BELL CANADA NEWSTEP NETWORKS INC.	02/16/05 02/16/05	05281183 05307846	Annually	17/12/09

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
9-16310-45US	US	4/1/05	6839422	METHOD AND APPARATUS FOR PROVIDING LOCAL CALL TREATMENT DISCRIMINATION FOR SELECTED CALLS ON A SWITCHED TELEPHONE NETWORK	Lloyd WILLIAMS Alexander MARKHA M David Edward JOHNSTON	BELL CANADA REVD NETWORKS INC. NEWSTEP NETWORKS INC.	07/18/02 12/15/03 05/21/04	013120/0342 014784/0948 015355/0594	31/2, 71/2 and 111/2 Years	4/7/12
9-16310-64CA	CA	28/6/05	2349125	METHOD AND APPARATUS FOR EFFECTING TELECOMMUNICATIONS SERVICE FEATURES USING CALL CONTROL INFORMATION EXTRACTED FROM A BEARER CHANNEL	Lloyd WILLIAMS Alexander MARKHA M David Edward JOHNSTON	BELL CANADA REVD NETWORKS INC. NEWSTEP NETWORKS INC.	06/29/01 07/10/03 03/02/05	5128437 052229519 05310091	Annually	28/5/09
9-16310-64MX	MX	28/9/06	240608	SERVICE PROVISION	Lloyd WILLIAMS Alexander MARKHA M David Edward JOHNSTON	NEWSTEP NETWORKS INC.	09/28/06	Patent Certificate	Every 5 Years	4/3/11
9-16310-64US	US	20/4/04	6724876	METHOD AND APPARATUS FOR EFFECTING TELECOMMUNICATIONS SERVICE FEATURES USING CALL CONTROL INFORMATION EXTRACTED FROM A BEARER CHANNEL	Lloyd WILLIAMS Alexander MARKHA M David Edward JOHNSTON	BELL CANADA REVD NETWORKS INC. NEWSTEP NETWORKS INC.	06/11/01 12/15/03 05/21/04	011886/0045 014784/0948 015355/0594	31/2, 71/2 and 111/2 Years	20/10/11

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
9-16310-71US	US	20/7/04	6766009	METHOD AND SYSTEM FOR CORRELATING TELEPHONE CALLS WITH INFORMATION DELIVERY	Lloyd WILLIAMS Alexander MARKHA M David Edward JOHNSTON	BELL CANADA REVD NETWORKS INC. NEWSTEP NETWORKS INC.	03/07/02 12/15/03 05/21/04	012693/0635 014784/0948 015355/0594	31/2, 71/2 and 111/2 Years	20/1/12
9-16310-72CA-2	CA			METHOD AND SYSTEM FOR PROVIDING ACCESS TO A VOICE MAIL SYSTEM	Lloyd WILLIAMS	BELL CANADA NEWSTEP NETWORKS INC.	02/22/06 02/22/06	05177775 05259700	Annually	9/7/09
9-16310-76US	US			METHOD AND APPARATUS FOR SUBSCRIBER CONTROL OF AN INBOUND CALL	Michael KAHNERT Lloyd WILLIAMS	NEWSTEP NETWORKS INC.	03/23/04	015131/0561	N/A	N/A
9-16310-76CA	CA			METHOD AND APPARATUS FOR SUBSCRIBER CONTROL OF AN INBOUND CALL	Michael KAHNERT Lloyd WILLIAMS	NEWSTEP NETWORKS INC.	11/22/06	5398945	Annually	23/3/09
9-16310-76EP	EP			METHOD AND APPARATUS FOR SUBSCRIBER CONTROL OF AN INBOUND CALL	Michael KAHNERT Lloyd WILLIAMS	NEWSTEP NETWORKS INC.	11/15/06	Notice of Publication	Annually	23/3/09
9-16310-78CA	CA			METHOD, SYSTEM AND APPARATUS FOR CALL PATH RECONFIGURATION	Lloyd WILLIAMS Masilamany RAGUPARAN	NEWSTEP NETWORKS INC.	09/23/05	5337636	Annually	8/8/09

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
9-16310-78EP	EP			METHOD, SYSTEM AND APPARATUS FOR CALL PATH RECONFIGURATION	Lloyd WILLIAMS Masilamany RAGUPARAN	NEWSTEP NETWORKS INC.	05/31/06	Notice of Publication	Annually	13/12/09
9-16310-78US	US	17/4/07	7206582	METHOD, SYSTEM AND APPARATUS FOR CALL PATH RECONFIGURATION	Lloyd WILLIAMS Masilamany RAGUPARAN	NEWSTEP NETWORKS INC.	12/27/04	016126/0905	31/2, 71/2 and 111/2 Years	17/10/10
16310-80CA	CA			METHOD AND SYSTEM FOR A COMMUNICATIONS SESSION JOIN FUNCTION TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Frank TOM Lloyd WILLIAMS Masilamany RAGUPARAN	NEWSTEP NETWORKS INC.	07/26/06	5381007	Annually	19/6/09
16310-80EP	EP			METHOD AND SYSTEM FOR A COMMUNICATIONS SESSION JOIN FUNCTION TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Frank TOM Lloyd WILLIAMS Masilamany RAGUPARAN	NEWSTEP NETWORKS INC.	12/27/06	Publication	Annually	21/6/09

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
16310-80US	US			METHOD AND SYSTEM FOR A COMMUNICATIONS SESSION JOIN FUNCTION TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Frank TOM Lloyd WILLIAMS Masilamany RAGUPAR AN	NEWSTEP NETWORKS INC.	06/20/06	017812/0770	N/A	N/A
16310-81CA	CA			SYSTEM AND METHOD FOR ASSIGNING A TEMPORARY SUBSCRIBER IDENTITY TO A ROAMING MOBILE SUBSCRIBER STATION	Frank TOM Andre MOSKAL	NEWSTEP NETWORKS INC.	4/12/06	5367371	Annually	14/3/09
16310-81EP	EP			SYSTEM AND METHOD FOR ASSIGNING A TEMPORARY SUBSCRIBER IDENTITY TO A ROAMING MOBILE SUBSCRIBER STATION	Frank TOM Andre MOSKAL	NEWSTEP NETWORKS INC.	08/23/06	Notice of Publication	Annually	14/3/09
16310-81US	US	30/10/07	7289805	SYSTEM AND METHOD FOR ASSIGNING A TEMPORARY SUBSCRIBER IDENTITY TO A ROAMING MOBILE SUBSCRIBER STATION	Frank TOM Andre MOSKAL	NEWSTEP NETWORKS INC.	03/14/05	016380/0323	31/2, 71/2 and 111/2 Years	30/4/11

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
16310-83US	US			METHOD AND SYSTEM FOR DIRECTED CALL ESTABLISHMENT TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Philip RICHARDS Andre MOSKAL David BRIDGE Frank TOM Lloyd WILLIAMS Masilamany RAGUPAR AN Alexander MARKMA N	NEWSTEP NETWORKS INC.	8/2/06	018041/0 687	N/A	N/A
16310-83PCT	PCT			METHOD AND SYSTEM FOR DIRECTED CALL ESTABLISHMENT TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Philip RICHARDS Andre MOSKAL David BRIDGE Frank TOM Lloyd WILLIAMS Masilamany RAGUPAR AN Alexander MARKMA N	NEWSTEP NETWORKS INC.			N/A	N/A

Our Ref.	Code	Issue Date	Patent #	Title	Inventors	Owner	Reg. Date	Regis Doc	Maintenance Fee Interval	Next MF Due Date
16310-83CA	CA			METHOD AND SYSTEM FOR DIRECTED CALL ESTABLISHMENT TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Philip RICHARDS Andre MOSKAL David BRIDGE Frank TOM Lloyd WILLIAMS Masilamany RAGUPAR AN Alexander MARKMA N	NEWSTEP NETWORKS INC.			Annually	25/7/09
16310-84US	US			METHOD AND SYSTEM FOR DYNAMIC CALL ANCHORING	Masilamany RAGUPAR AN Boris ROZINOV	NEWSTEP NETWORKS INC.			N/A	N/A
15080101	PCT			METHOD AND SYSTEM FOR DYNAMIC CALL ANCHORING	Masilamany RAGUPAR AN Boris ROZINOV	NEWSTEP NETWORKS INC.			N/A	N/A
15595201	EP			METHOD AND SYSTEM FOR DIRECTED CALL ESTABLISHMENT TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Philip RICHARDS Andre MOSKAL David BRIDGE Frank TOM Lloyd WILLIAMS Masilamany RAGUPAR AN Alexander MARKMA N	NEWSTEP NETWORKS INC.			Annually	25/7/09

Transferred Personal Property

Please see attached.

Transferred Contracts

3rd Party Software Vendors

- Software License Agreement by and between Radvision Inc. and NewStep Networks Inc. dated as of September 29, 2004, as amended by Amendment #1 dated October 18, 2006, by Amendment #2 dated October 18, 2006 and by Amendment #3 dated October 24, 2006.
- Software License Agreement by and between Continuous Computing Corporation and NewStep Networks Inc. dated as of March 1, 2005.
- OEM License and Distribution Agreement by and between Global IP Solutions, Inc. and NewStep Network Inc. dated as of October 31, 2005.
- Software License Agreement by and between NCL Technologies and NewStep Networks Inc. dated as of May 16, 2006.
- Software License Agreement by and between Objective Systems, Inc. and NewStep Networks Inc. dated as of December 15, 2003.

Customer Contracts

- Global Frame Contract by and between British Telecommunications PLC and NewStep Networks Inc. dated as of February 1, 2007.
- Multi License Software Escrow Agreement by and between NCC Escrow International Limited and NewStep Networks Inc. dated as of January 31, 2007.
- Software License Agreement by and between Novega Venture Partners, Inc. (Operating as Vonage Mobile) and NewStep Networks Inc. dated as of February 28, 2008.
- Value Added Reseller and License Agreement by and between Italtel Spa and NewStep Networks Inc. dated as of December 15, 2006.
- Master Software License Agreement by and between Embarq Management Company and NewStep Networks Inc. dated as of July 17, 2006.
- Final Terms and Conditions for the Supply of Software and Services by NewStep to Ericsson Schweiz AG with reference to the Swisscom IMS iCORE Project dated as of April 8, 2007 and a Service Level Agreement by and between Ericsson Schweiz AG and NewStep Networks Inc. dated as of May 22, 2008.
- Product Evaluation Agreement by and between Sylantro Systems Corporation and NewStep Networks Inc. dated as of July 17, 2008.

- Product Evaluation Agreement by and between Nokia Corporation (Tampere Lab) and NewStep Networks Inc. dated as of April 1, 2009.
- Product Evaluation Agreement by and between Nokia Corporation (Oulu Lab) and NewStep Networks Inc. dated as of January 1, 2009. Currently, this Agreement is being executed by Nokia.

Transferred Books and Records

All books and records of the Company that are or have been related to, used in or necessary for the Assets, including copies of contracts; product and design materials (for internal or external use); plans; drawings; documentation sufficient to fully utilize, understand and implement the use of the Assets; technical and operating materials (for internal or external use); in each case in whatever form (hard copy or electronic) relating to the Assets.

Transferred Claims

All rights, claims, causes of actions, warranties, rights of recovery and set-offs of the Company related to Assets against any third parties, including all rights under express or implied warranties relating to the Assets or the ownership, use, function or value of any Assets.

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Windows Mobile Build Machine	10000	Office	Kanata
LCD Monitor	10040	Office	Kanata
RIM Mobile Build Machine	10520	Office	Kanata
LCD Monitor	10050	Office	Kanata
Apple Build Machine (Mac lap top)	10518	Konstantin	Konstantin
Developer Workstation	19195	Office	Konstantin
Device - 740		Konstantin	Konstantin
Device - 710		Konstantin	Konstantin
Device - HPIPAQ		Konstantin	Konstantin
Device - HPIPAQ		Office	Kanata
Device - QTEC (x2)		Office	Kanata
Device - Starcom (x5)		Office	Kanata
Device - HTC BT		Office	Kanata
Device - Pocket PC		Office	Kanata
Device - BlackBerry (x1)		Office	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Developer Workstation - CSN 1	10422	Office	Geordie
Developer Workstation - CSN 30	10129	Office	Geordie
LCD Monitor	10410	Office	Geordie
LCD Monitor	10522	Office	Geordie
Windows Lap Top		Geordie	Geordie
Developer Workstation #2 - CSN1		Office	Kanata
Developer Workstation #2 - CSN30		Office	Kanata
Developer Monitor - 21"	10138	Office	Kanata
Developer Monitor - 21"	10072	Office	Kanata
Developer Monitor - 21"	10186	Office	Kanata
Developer Monitor - 21"	10085	Office	Kanata
CSN DVD Generator Platform	10086	Office	Kanata
LCD Monitor	10078	Office	Abid
Developer workstation csn1	10094	Office	Kanata
Developer workstation csn30	10117	Office	Kanata
Developer workstation csn30		Office	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #1	20452	Lab	Kanata
CCM 4.2	10462	Rack 1	Kanata
Sunfire 240	10328	Rack 1	Kanata
Sunfire 240	10329	Rack 1	Kanata
Sunfire 240	10330	Rack 1	Kanata
Sunfire 240	10284	Rack 1	Kanata
UPS			Kanata
Cisco Unity - Vmail	10322	Rack 1	Kanata
CCM	10320	Rack 1	Kanata
Cisco 3500 Switch	10238	Rack 1	Kanata
Ingate SBC	10480	Rack 1	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #2	20451	Lab	Kanata
Catapulse	10311	Rack 2	Kanata
MGTS	10412	Rack 2	Kanata
Convedia CMS 1000	10429	Rack 2	Kanata
Audiocodes Mediant 1000	10501	Rack 2	Kanata
CSND05	10517	Rack 2	Kanata
CSN 135 Test	10510	Rack 2	Kanata
CSN 35 Build	10508	Rack 2	Kanata
Cisco 2600	10314	Rack 2	Kanata
CSND01	10316	Rack 2	Kanata
CSND02	10315	Rack 2	Kanata
CSN1ST1	10468	Rack 2	Kanata
Cisco Switch	10488	Rack 2	Kanata
Linksys Switch	10318	Rack 2	Kanata
Linksys Switch	10319	Rack 2	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #3	20450	Lab	Kanata
Performance Technologies	10384	Rack 3	Kanata
DBS01	10385	Rack 3	Kanata
CSN01	10383	Rack 3	Kanata
UPS01		Rack 3	Kanata
Cisco 3500	10323	Rack 3	Kanata
Cisco 12 port switch	10387	Rack 3	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #4	20449	Lab	Kanata
Performance Technologies - VPS01/VPS02	10299	Rack 4	Kanata
Performance Technologies - VPS03		Rack 4	Kanata
Cisco 2800 - ITP02		Rack 4	Kanata
Cisco 7200	10301	Rack 4	Kanata
DBS02 Sunfire 280	10302	Rack 4	Kanata
Sun SSa02		Rack 4	Kanata
Sunfire V1280	10305	Rack 4	Kanata
UPS - UPS02		Rack 4	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #5	20448	Lab	Kanata
DCOSS	10289	Rack 5	Kanata
Adtran	10290	Rack 5	Kanata
DCOSS	10291	Rack 5	Kanata
Lambda Power Supply	10294	Rack 5	Kanata
IBM xSeries 343	10292	Rack 5	Kanata
Sentry PDU	10295	Rack 5	Kanata
DCOSS	10297	Rack 5	Kanata
DCOSS	10298	Rack 5	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #6	20446	Lab	Kanata
Cisco 3600	10276	Rack 6	Kanata
Cisco 3600	10275	Rack 6	Kanata
Cisco 3700	10278	Rack 6	Kanata
Belkin	10279	Rack 6	Kanata
Netra X1	10282	Rack 6	Kanata
Netra X1	10283	Rack 6	Kanata
CCM 5.x	10469	Rack 6	Kanata
CCM 6.x	10244	Rack 6	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #7	20444	Lab	Kanata
Console Switch	10268	Rack 7	Kanata
Cisco Pix	10221	Rack 7	Kanata
DHCP Server	10271	Rack 7	Kanata
DEMO OCS	10270	Rack 7	Kanata
CSNTEST	10269	Rack 7	Kanata
Cisco 3800		Rack 7	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #8	20439	Lab	Kanata
Avaya ACM	10476	Rack 8	Kanata
Avaya SES	10479	Rack 8	Kanata
Cisco CCM	10509	Rack 8	Kanata
Sun CSN 6	10491	Rack 8	Kanata
CSN12 - Sunfire 210		Rack 8	Kanata
Cisco Switch	10317	Rack 8	Kanata
DLINK Switch		Rack 8	Kanata
UPS04		Rack 8	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #9	20440	Rack 9	Kanata
CSN1 Build	10493	Rack 9	Kanata
CSN1 Test	10490	Rack 9	Kanata
Serdev01		Rack 9	Kanata
Badger	10231	Rack 9	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Rack #10	20441	Lab	Kanata
T1000	10521	Rack 10	Kanata
3300 Storage	10497	Rack 10	Kanata
Netra 240 - CSN09		Rack 10	Kanata
Sunfire 240	10487	Rack 10	Kanata
CSND07 - 240	10440	Rack 10	Kanata
CSND08 - 240	10441	Rack 10	Kanata
TORSS001	10288	Rack 10	Kanata
CSN03 - 240	10286	Rack 10	Kanata
CSN04 - 240	10287	Rack 10	Kanata
Tordev01 - 240	10285	Rack 10	Kanata
Cisco 3500	10219	Rack 10	Kanata
SNC Switch	10274	Rack 10	Kanata
UPS05		Rack 10	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Patch Panel	20447	Lab	Kanata
Loose Cables (after lab dismantle)		Lab	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
HP Rack 1	20455	HP Rack 1	Kanata
	10262	HP Rack 1	Kanata
	10263	HP Rack 1	Kanata
	10266	HP Rack 1	Kanata
HP Rack 2	20443	HP Rack 2	Kanata
	10258	HP Rack 2	Kanata
	10260	HP Rack 2	Kanata
HP Rack 3	20422	HP Rack 3	Kanata
Bugzero DB	10249	HP Rack 3	Kanata
Prov server	10251	HP Rack 3	Kanata
Prov server	10252	HP Rack 3	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Linksys EF3124	10308	Wire Rack	Kanata
Linksys EF3124	10361	Wire Rack	Kanata
HTTPS Proxy	10063	Wire Rack	Kanata
CSN137 Test	10026	Wire Rack	Kanata
Serdev03	10161	Wire Rack	Kanata
CSN136 Test	10167	Wire Rack	Kanata
Open Ser	10127	Wire Rack	Kanata
Unity Exchange	10056	Wire Rack	Kanata
Asterick	10092	Wire Rack	Kanata
Oracle OCS	10134	Wire Rack	Kanata

<u>Item</u>	<u>NewStep #</u>	<u>Location</u>	<u>Destination</u>
Cisco Switch		Office Floor	Kanata
Cisco 2600	10454	Office Floor	Kanata
Cisco 2600	10326	Office Floor	Kanata
SunFire 240	10452	Office Floor	Kanata
Sunfire 4100	10453	Office Floor	Kanata
Tatra Gateway		Office Floor	Kanata
Meru Wireless Access Point	10446	Office Floor	Kanata
Meru Wireless Controller	10445	Office Floor	Kanata
Cisco Access Point	10414	Office Floor	Kanata
Cisco Access Point	10180	Office Floor	Kanata
Cisco Access Point	10369	Office Floor	Kanata
Cisco Access Point	10181	Office Floor	Kanata
Cisco Access Point	10447	Office Floor	Kanata
Cisco Access Point	10448	Office Floor	Kanata
Cisco 800 Server	10394	Office Floor	Kanata
Cisco IP Phone	10511	Office Floor	Kanata
Cisco IP Phone	10432	Office Floor	Kanata
Linksys IP Phone - SPA941		Office Floor	Kanata
Linksys IP Phone - SPA941		Office Floor	Kanata
Linksys IP Phone - SPA941		Office Floor	Kanata
Grandstream		Office Floor	Kanata
Grandstream		Office Floor	Kanata
IP Video Phone		Office Floor	Kanata
Avaya Set	10470	Office Floor	Kanata
Motorola Wireless Set	20344	Office Floor	Kanata
Motorola Wireless Set	20343	Office Floor	Kanata
Motorola Wireless Base	20342	Office Floor	Kanata
Nokia E51		Office Floor	Kanata
Nokia SDN 6472885438		Office Floor	Kanata
PBX Software Box	to be confirmed		
Cisco CCM /6.1/6.0/5.0/4.0		Office Floor	Kanata
Ericsson Access point		Office Floor	Kanata
Analog Modem		Office Floor	Kanata
Avaya IP Phone	10471	Office Floor	Kanata
rational Software version 2002.05.00		Office Floor	Kanata
lprobe software		Office Floor	Kanata
Borland Ent		Office Floor	Kanata
Avaya amphenol cables		Office Floor	Kanata
Cisco 9600 Switch	10390	Office Floor	Kanata
Cisco 9600 Switch	10310	Office Floor	Kanata
Domain Controller Desktop Demo	10280	Office Floor	Kanata

SCHEDULE "B"

COMPANY DISCLOSURES

Employees

Name	Position	Start Date	Length of Service (in full months)	Vacation Entitlement (in days)	Compensation (Annual)	Contractual Termination Payments
Geordie Ferguson	Architect	June 3, 2002	83	15	CAD 132,000	None
Konstantin Manyakin	Technical Lead	June 13, 2005	47	15	CAD 119,000	None
Sam Cutter	Consulting Engineer	February 5, 2008	15	20	GBP 65,000	None
Nate Seybold	Director, Sales	April 29, 2008	12	18	USD 120,000	None

Company Registered IP

- The Transferred Intellectual Property Listed in Schedule "A"
- The following non-Transferred Intellectual Property:
 - The following Trade-marks:

Country	Trade-mark	Reg. #/App. #
CA	NEWSTEP	TMA637,339
US	NEWSTEP	3204954

- The following domain names:
 - www.newstep.com
 - www.newstepnetworks.com

Public Software

Platform	Vendor	Software	Filename
Client	www.openssl.org	OpenSSL	libeay32.dll ssleay32.dll
CSN30/1K	Apache	Tomcat	apache-tomcat-5.5.20.tar.gz (CSN1)
CSN	Apache	Jakarta Commons Collection	commons-collection.jar
CSN	Apache	Jakarta Commons DB connection pooling services	commons-dbcp.jar
CSN	Apache	Jakarta Commons HTTP client	commons-httpclient.jar
CSN	Apache	Jakarta Commons Log interface	commons-logging.jar
CSN	Apache	Jakarta Commons Pool Package	commons-pool.jar
CSN	Apache	Jakarta Commons Pool Package	commons-validator.jar
CSN	Apache	Jakarta Commons Pool Package	commons-digester.jar
CSN	Apache	Jakarta Commons Pool Package	commons-beanutils.jar
CSN	Apache	XALAN XML Parser	xalan.jar (CSN30/1K) xalan-j_2_7_0-bin.tar.gz (CSN1)
CSN	Apache	STRUTS	struts.jar
CSN30/1K	Apache	JavaBean APIs	activation.jar
CSN30/1K	Apache	Axis SOAP Engine	axis.jar
CSN30/1K	Apache	JavaBean Utilities	commons-discovery-0.2.jar
CSN	Apache	Java Logging APIs	commons-logging-1.0.4.jar (CSN30/1K) commons-logging.jar (CSN1)
CSN1	Apache	File upload	commons-fileupload.jar
CSN30/1K	Apache	Log4J Logging API	log4j-1.2.8.jar
CSN30/1K	Apache	Ant Tools	axis-ant.jar
CSN30/1K	Apache	Axis schema	axis-schema.jar
CSN30/1K	Apache	JSTL Library	standard.jar
CSN30/1K	Apache	XML Parsing API	xerces.jar
CSN1	Apache	XML Parsing API	Xerces-J-bin.2.9.0.tar.gz
CSN30/1K	GPL	gdb	
CSN30/1K	GPL	expat	expat-1.95.5-sol10-sparc-local.gz
CSN30/1K	GPL	ncurses	ncurses-5.6-sol10-sparc-local.gz
CSN	Purdue Research	lsf	n/a
CSN30/1K	IBM	WSDL Libraries	wsdl4j-1.5.1.jar
CSN	jdom.org	JDOM XML Parser	jdom.jar
CSN30/1K	java.net	NIST Sip Stack	JainSipApi1.2.jar
CSN30/1K		JAX WS	JAXWS2.1.2M1_20070614
CSN30/1K	Sun	jaxrpc API	jaxrpc.jar
CSN30/1K	Sun	Java Mail reference API	mail.jar
CSN30/1K	Sun	JSTL Library	jstl.jar
CSN	GNU	libiconv	libiconv-1.8-sol10-sparc-local.gz
CSN1	RedHat	RedHat 4.4 Boot environment binaries	kernel, initrd.img, isolinux.bin ...
SER	iptel.org	SER SIP proxy	

- JDMK Java Management framework licensed from Sun pursuant to Sun License Agreement
- Java Run-time Environment (JRE) licensed from Sun pursuant to license agreement located at: http://java.sun.com/j2se/1.5.0/jre-1_5_0_05-license.txt and http://java.sun.com/j2se/1.5.0/j2se-1_5_0-thirdpartyreadme.txt
- Sun Binary Code License Agreement (see Schedule 3.2x)

- Cisco Java Telephony Application Programming Interface (JTAPI) software for Cisco CallManager
- MySQL Database license licensed under a General Public License (GPL license)

Actions to be Taken with respect Company Registered IP

- Other than the payment of maintenance fees as outlined above and the office action or any responses thereto with respect to patent 9-16310-76US and as more fully expressed below, the Company is not aware of any actions to be taken within 180 days from the date hereof with respect to Company Registered IP that, if not taken will have a Material Adverse Effect on any Company Registered IP or the prosecution of applications or registrations relating thereto.

Due Date	Case Ref.	Due Date Description	Official No.	Title	Country	Estimated cost GST not included	NewStep Action Taken
03-Jun-2009	9-16310-76US	Response to Advisory Action deadline (Request for Continued Examination and re-submission of the Response to the Final Office Action) - up to 3 month extension available with payment of government extension fees	10/806135	METHOD AND APPARATUS FOR SUBSCRIBER CONTROL OF AN INBOUND CALL	USA	Government Fee \$810.00 (USD) + our fee \$500.00 (CAD)	NewStep to pay fees and will be reimbursed by NCI
03-Jun-2009	15080101	Demand for Substantive Examination Due - (only formality issues were raised in the Written Opinion and so it may be more economical to deal with the formality issues at the national level) National phase entry (30 month) due by February 3, 2010.	PCT/CA2 008/00139 7	METHOD AND SYSTEM FOR DYNAMIC CALL ANCHORING	PCT International	Government Fee \$1600.00 (CAD) + \$500.00 (CAD)	No action required by NewStep for the June 3/09 due date. NCI will address at the national phase entry
01-Jul-2009	16310-80US	Response to Office Action deadline - extensions available for up to 3 months with payment of extension fees	11/424930	METHOD AND SYSTEM FOR A COMMUNICATIONS SESSION JOIN FUNCTION TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	USA	Depends on whether the response is being prepared by Max Wood or by Ogilvy Renault	No action required by NewStep. NCI will address post closing.

15-Jul-2009	9-16310-78CA	Due: Final Fee	2515326	METHOD, SYSTEM AND APPARATUS FOR CALL PATH RECONFIGURATION	Canada	Government Fee \$300.00 (CAD) + our fee \$425.00 (CAD)	No action required by NewStep. NCI will address post closing.
28-Oct-2009	15595201	Deadline for filing in HONG KONG FILING (6 months from publication of EP application)	07784989.1	METHOD AND SYSTEM FOR DIRECTED CALL ESTABLISHMENT TO FACILITATE THE PROVISION OF ENHANCED COMMUNICATIONS SERVICES	Europe	Estimate available on request.	No action required by NewStep. NCI will address post closing.

Material Agreements

- The Transferred Contracts
- Employment Agreements

Consents

3rd Party Software Vendors

- Software License Agreement by and between Radvision Inc. and NewStep Networks Inc. dated as of September 29, 2004, as amended by Amendment #1 dated October 18, 2006, by Amendment #2 dated October 18, 2006 and by Amendment #3 dated October 24, 2006, provided that obtaining the consent to assign this agreement shall not be considered as a condition of Closing.
- Software License Agreement by and between Continuous Computing Corporation and NewStep Networks Inc. dated as of March 1, 2005.
- OEM License and Distribution Agreement by and between Global IP Solutions, Inc. and NewStep Network Inc. dated as of October 31, 2005.
- Software License Agreement by and between NCL Technologies and NewStep Networks Inc. dated as of May 16, 2006.
- Software License Agreement by and between Objective Systems, Inc. and NewStep Networks Inc. dated as of December 15, 2003.

Customer Contracts

For greater certainty, obtaining the consent to assign the following agreements shall not be considered as a condition of Closing:

- Global Frame Contract by and between British Telecommunications PLC and NewStep Networks Inc. dated as of February 1, 2007.
- Multi License Software Escrow Agreement by and between NCC Escrow International Limited and NewStep Networks Inc. dated as of January 31, 2007.
- Final Terms and Conditions for the Supply of Software and Services by NewStep to Ericsson Schweiz AG with reference to the Swisscom IMS iCORE Project dated as of April 8, 2007 and a Service Level Agreement by and between Ericsson Schweiz AG and NewStep Networks Inc. dated as of May 22, 2008.
- Product Evaluation Agreement by and between Sylanro Systems Corporation and NewStep Networks Inc. dated as of July 17, 2008.

Litigation

- On September 18, 2008, the Company received a demand letter from Gross, Kleinhendler, Hodak, Halevy, Greenberg & Co, on behalf of MobileMax, Inc. ("MobileMax") claiming an outstanding amount of US\$73,000 regarding the configuration and installation of its Unified Communications Mobile App download server software for the Company and the provision of 1,000 demo licenses. The Company paid MobileMax the amount of US\$30,000 prior to the delivery of its products and services and since the time the App download server was made available to the Company, it has not been used by the Company. Following the receipt of this letter, the Company and MobileMax have had communications regarding this matter and as of May 21, 2009, the Company has not received any further communication from MobileMax or its counsel.
- On March 4, 2009, the Company received a letter from Zubas & Milne, Barristers and Solicitors, on behalf of Mr. Lloyd Williams claiming an amount for pay in lieu of notice relating to Mr. Williams' termination from the Company on June 17, 2008. The Company and Mr. Williams entered into a Settlement Agreement on May 12, 2009 settling the matter.
- On March 4, 2009, the Company received a letter from Zubas & Milne, Barristers and Solicitors, on behalf of Mr. Alexander Markman claiming an amount for pay in lieu of notice relating to Mr. Markman's termination from the Company on June 17, 2008. The Company and Mr. Markman entered into a Settlement Agreement on May 11, 2009 settling the matter.